



# GPC NEWSLETTER

## June 2003



**T**his informational newsletter is prepared and distributed by the 61<sup>st</sup> Contracting Squadron (61 CONS) for the use and enlightenment of all GPC cardholders and billing officials at organizations serviced by Los Angeles Air Force Base, CA. This information is intended to broaden and refresh knowledge of the GPC program and its guidance. You are encouraged to maintain these briefs as part of your permanent file. This month's topics include phone service, GPC transaction requirements, source rotation and competition, purchasing uniform clothing items, and other pertinent subjects.

Please take time to visit the GPC website! You can obtain vital program information, sample document formats and links to other GPC websites. It is available at:  
<http://www.losangeles.af.mil/SMC/PK/PKHOME/PKO/gpc/index.html> Your suggestions for improvements are encouraged.

### FAREWELL & THANKS!!

**D**avid has left the building, the GPC Program and LAAFB!! As mentioned in an earlier newsletter, Mr. David Robledo and his family have relocated to Nellis AFB, NV. Many thanks, David, for all the hard work and dedication. You will be sorely missed!! "May the best you've ever had, be the worst you have get!!" Godspeed!!

### CELL PHONE SERVICE

**E**ffective 01 Oct 03, we will NO LONGER allow organizations to use the GPC to purchase recurring services (to include cell phone service) above the micropurchase threshold, even using the GSA service providers. If your organizations have requirements for cell phone services estimated to exceed \$2,500 annually, you MUST submit it 61 CONS for purchase. Please submit all request for recurring services (to include cell phone service) to 61 CONS before 01 Aug 03. Please plan according to your organizations needs. More information's to come. (AFI64-117 para.2.1.2)

### GPC TRANSACTION REPORTING REQUIREMENTS

**I**n accordance with the DoD supplement to the Federal Acquisition Regulation (DFARS), Part 204.670, Defense Contract Action Data System (DCADS), any awards greater than \$2,500, but less than or equal to

\$25,000 must be documented on a DD Form 1057. Effective 01 Oct 01, cardholders (CHs) **will** collect certain data (transaction awards greater than \$2,500, but less than or size, classification, etc.) from vendors for any purchase equal to \$25,000. The CHs will sign and date each document, then forward to the purchase card program office **within three working days** after the order is placed. It is the Billing Official's responsibility to ensure the cardholder submits this form. Failure to do so in a timely manner will result in suspension of the Billing Official account, until our office receives this document.

The vendor knows its size classification if it has been awarded a pre-priced contract, so don't just accept an "I don't know" from the sales person. Have him/her find someone who does know. If you cannot get the data, **DO NOT** make the purchase.

Collection of this data is **not optional**. If you use the GPC at any level above \$2,500, you **shall** collect and submit this data to 61 CONS/LGCP within 3 workdays of making the purchase. We will verify receipt of the required data during our monthly surveillance.

You should have already received copies of the reporting documentation. If not, you can contact us for a copy or you can download it from the GPC web page.

### SOURCE ROTATION & COMPETITION

**A**FI 64-117 requires cardholder personnel to solicit suppliers other than the previous vendor before placing repeat orders. A special effort should be made to solicit small and small disadvantaged businesses as a source for supplies and services, whenever practicable. When determining the number of sources to solicit, consider the following:

- Nature of the item or service to be purchased and whether it is highly competitive; Information from recent purchases of the same or similar items or services;
- Urgency of the purchase;
- Dollar value of the purchase; and
- Past experience concerning dealer prices.

Purchases under \$2,500 may be made without competition; however, the cardholder must consider the prices to be reasonable. The preferred method for determining prices as being fair and reasonable is by comparing prices offered by other vendors for the same or similar item or service.

Though there is currently no requirement to document that you consider the price fair and reasonable, it is assumed that you have made such a determination by the act of making the purchase. One more time...if you make a purchase, it is assumed, by virtue of you presenting your card or card number to the vendor, that you have performed the necessary mental processes required to deem the price as “fair and reasonable”.

If a vendor furnishes a standing price quotation or catalog prices on a recurring basis, you are not required to obtain competition on each individual purchase. You should, however, periodically confirm that the price is still current and reasonable.

### “SPLITTING” REQUIREMENTS

Cardholders are prohibited from making repeat buys of the same item to avoid the \$2500 limitation for purchasing and the \$25,000 limitation for ordering using the purchase card. In addition, no order for the same vendor may exceed the single purchase limit of \$2500 even if the individual items comprising the purchase have unit prices that are less than \$2500.

The purchase card was implemented to avoid the need for warehousing items and requisitioning items through the Supply system. This “just-in-time” buying philosophy allows organizations the flexibility to buy items when they need them. However, there is no basis in regulation or law to permit cardholders to repetitively purchase an item when the cardholder knows or *should have known* of additional requirements for the same item that would result in an aggregate purchase greater than \$2500. There is a distinction between buying supplies and services based on one’s own needs known at the time and buying for one’s organization based on the known organizational requirement or forecast. The following two examples illustrate the distinction:

Example 1: On a Monday, a cardholder buys one \$2400 widget because that is his known requirement. The next day, he learns that someone in his organization needs another identical widget. **As long as he made an honest effort to consolidate his organization’s requirements when he made the first buy, he has not split the requirement.** He does not have an obligation to know other organizations’ requirements.

Example 2 A cardholder normally holds all requests for widgets until the end of the day/week/month so he will only have to make one buy. There is a steady, recurring requirement for this widget. After realizing that his request has exceeded \$2500, he decides to buy part of his requirement one day and the remainder the next. That is splitting a requirement because it was known or *should have been known* that the requirement exceeded \$2500. In cases such as these, a Blanket Purchase Agreement or

other Indefinite Delivery Indefinite Quantity ordering contract should be initiated by the contracting office. The key component is the knowledge of the requirement the cardholder possessed at the time of purchase.

This is not meant to be a definitive answer that may be applied to every situation but rather a guideline that delineates the major concerns. Business advice should be their official functions. Recruiting and liaison personnel, as described in AFI 65-601, para 4.36.1 are authorized to sought from the Operational Contracting Division to decide the best strategy for obtaining repetitive buy items and services. If you think your circumstances may be perceived reviewers as splitting a requirement, contact your Agency/Organization Program Coordinator for guidance. The Purchase log should be documented to explain any purchase that may have the appearance of a split requirement.

### PURCHASING UNIFORM CLOTHING ITEMS

From time to time, we get inquiries concerning use of the GPC to purchase various uniform items and/or obtaining services to sew rank insignia, nametapes, and accouterments on uniform items. The following guidance obtained from AFI 65-605V1 is presented for your information and guidance.

#### Items Issued as Individual Equipment

Organizations may use their O&M-type funds to obtain required special uniforms (e.g., desert BDUs, flight suits, and other TA 016 uniforms which are not included as regularly issued uniforms which are paid by individuals from clothing allowance), as directed by their commander or other competent authority. These uniforms and the matching stripes and accouterments are “optional items directed wear.” The cost of any associated rank insignia, nametapes, and accouterments, as well as sewing on of these items on these uniforms, as required, may also be provided from organizational O&M-type funds at the discretion of the commander. **This is applicable to officers and enlisted.**

#### Free Issue of Enlisted Grade Insignia.

Organizations may buy enlisted grade insignia for free issue to newly promoted enlisted military personnel (Table of Allowance (TA) 016B and AFMAN 23-110, Volume II, Part 2, Chapter 23). Treat these insignia purchases as a normal supply-type expense. **Don’t use O&M funds to buy officer insignia (TA 016).**

#### Sewing Rank Insignia and Accouterments on BDUs

Organizations may use organizational O&M-type funds to sew on insignia and accouterments on enlisted personnel BDUs when enlisted members replace a “damaged” (not

serviceable) BDU. Do not use organizational funds to sew on the name tapes and accouterments to existing woodland BDUs or replacements due to normal wear and tear.

Organizations may fund stripes for new promotees, but the **individual pays for sewing** on the stripes

### LOST OR STOLEN CARDS

**B**illing officials shall submit a written report (e-mail acceptable) through the Installation Purchase Card Program Manager to the MAJCOM/FOA/ DRU Program Coordinator within five workdays. The report will include:

- The purchase card number, the cardholder's complete name;
- The date and location (if known) of the lost/stolen card and the date reported to police;
- The date and time Bank was notified;
- Any purchase(s) made on the day the purchase card was lost or stolen; and
- Any other pertinent information.

A new purchase card will be mailed within 24 hours of the reported loss or theft (Monday through Friday). If the cardholder finds the original purchase card, it shall be cut in half and given to the billing official who will complete the destruction notice and forward it to the Installation Purchase Card Program Manager, who will notify the MAJCOM/FOA/DRU Program Manager. The Installation Purchase Card Program Manager will contact the Bank to ensure the account is closed.

### C.A.R.E ON-LINE REGISTRATION

**U**.S. Bank has implemented a new streamlined process for establishing Cardholder access to C.A.R.E. With On-Line Registration, Cardholders can create their own C.A.R.E. User ID's and Passwords. All other program participants (approving officials, A/OPC's, etc.) will still need to have their User ID's and Passwords setup by the U.S. Bank System Administration group.

Prior to attempting to self-register, contact either Ms. Britton (363-5930) or Ms. Agcaoili (363-0623) to obtain Relationship Registration Code and User Profile Code information required to complete the self-registration process.

If a Cardholder enters invalid information more than three times they are locked out of On-Line Registration. Should this happen to you, contact us or the bank's Customer Service function to request the account be unlocked.

Questions should be directed to one of the individuals named above.

### C.A.R.E PASSWORD LOCKED

**A**ll cardholder, if you get lock out of the C.A.R.E system and receive the message "USER STATUS INACTIVE, PLEASE CONTACT US BANK ADMIN" do not call us. Please call the US Bank at 1-888-994-6722 to get your password reset.

### MAINTAINING PROGRAM DOCUMENTATION

**W**e are often asked how long GPC documents must be maintained. The billing official shall ensure all receipts, shipping paperwork, written record of coordination and all other supporting documentation should be maintained for at least three years after that transaction has been paid. These records must include transaction from all cardholder present and past within the three years period. So if you plan on changing cardholder or billing official, make sure all require document are transfer to the new cardholder or billing official. Here an example of how long to keep a document, documentation for a transaction that appeared on your Oct 2002 statement should be maintained at the billing official/cardholder level for three years or the end of the Oct 2005 billing cycle. This requirement also applies to records document billing official surveillance. AUTH: GRS 3, Item 3a(1)(b) and FAR 4.805(b)(3).

### APPOINTMENT OF ALTERNATE APPROVING OFFICIALS

**E**ffective IMMEDIATELY, each organization participating in the GPC program must now have an alternate approving official (AO) appointed for each approving official account. This should be done at the time the initial request for the establishment of a GPC account is submitted, however, this does not address those accounts for which an alternate approving official has not yet been appointed.

Each approving official should ensure an alternate AO is identified and trained ASAP. The appointment letter must fully describe the types of purchases to be made and identify the name, rank, duty title, telephone number, and e-mail address of the cardholder and primary and alternate approving official.

### DOD PURCHASE CARD TUTORIAL

**O**n September 27, 2002, Ms. Deidre Lee, Director, DoD Defense Procurement and Acquisition Policy, USD(AT&L) signed a memo, requiring that all DoD personnel holding a Government Purchase Card complete a Defense Acquisition University GPC training module.

This tutorial, a self-paced course comprised of ten lessons, presents the mandatory requirements and other guidelines to consider and apply, as appropriate, when utilizing the GPC. Its purpose is to provide training to cardholders and approving officials and help them to at ease with using the GPC. If you are currently a program participant, you should have already completed this requirement. If you are contemplating participation in the GPC program, you must complete this training, in addition to that outlined above, prior to the issuance of a GPC account.

The average cumulative time for course completion is four seat hours. You may take this self-paced course over time, with the ability to return to the last page you accessed. The course includes periodic review questions and a post-test. The post-test **requires a minimum score of 70%** and may be taken as many times as necessary to obtain a passing score. A certificate of completion is available at the conclusion of a successful post-test and must be printed and forwarded to this office, to document your completion of this mandatory requirement.

Ensure you **take the DoD version** of the tutorial and NOT the GSA version. **NOTE:** This requirement does NOT replace the initial or refresher training attendance requirement.

#### MANDATORY PURCHASE CARD REFRESHER TRAINING

**A**nnual GPC refresher training is MANDATORY for all program participants, cardholders and approving officials. Failure to attend this training within **30** days of your due date will result in your participation in the program being temporarily suspended until this requirement is satisfied. If the approving official account is suspended, all cards managed there under will be rendered useless.

The next GPC refresher training session is scheduled for 16 Jul 03 from 0900 to 1200 in Bldg. 219, Room 1080. Attendance is on a first-come, first-served basis. For further information, contact Kelly Britton (3-5930) or Jennifer Agcaoili (3-0623).

**Bottom Line: You must attend refresher training within 12 months of your last training session... whenever that was!!**

#### INITIAL AND REFRESHER TRAINING

**G**PC refresher training is MANDATORY for all program participants, cardholders and approving officials. Failure to attend this training within **30** days of your due date will result in your participation in the program being temporarily suspended until this requirement is satisfied. If the approving official account

is suspended, all cards managed there under will be rendered useless.

The upcoming training schedule is included for your convenience and planning.

Initial	Refresher
Bldg. 219, Room 1080	Bldg. 219, Room 1080
0800-1200	0900-1200
08 July 03	16 July 03
06 Aug 03 ( <i>1440 C&amp;D</i> )	13 Aug 03
03 Sep 03	10 Sep 03
01 Oct 03	08 Oct 03
05 Nov 03 ( <i>1440 C&amp;D</i> )	12 Nov 03
03 Dec 03	10 Dec 03

#### NOTES

**As always, questions, comments and/or suggestions should be submitted to our GPC dedicated e-mail address at [smcpk.impac@losangeles.af.mil](mailto:smcpk.impac@losangeles.af.mil). Take good care of yourselves!!**

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